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## News Release

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### **FLUOR HANFORD AWARDS \$24 MILLION CONTRACT TO BNFL TEAM TO TREAT RADIOACTIVE SLUDGE**

RICHLAND, Wash. – November 17, 2004 – Fluor Hanford has awarded a contract to a team led by BNFL Inc. to treat radioactive sludge retrieved from two facilities that stored spent nuclear fuel at the Department of Energy's Hanford Site in southeast Washington State.

The work will consist of stabilizing and packaging approximately 57 cubic yards of radioactive sludge for disposal off the Hanford Site. The contract award is valued at \$24 million and runs through January 2007.

The K East and K West Basins—located approximately 400 yards away from the Columbia River—once held 2,300 tons of spent nuclear fuel. Fluor Hanford finished removing the spent fuel in October 2004. Corrosion of the fuel rods during decades of storage underwater resulted in radioactive sludge, deposited on racks that held the fuel and the floors of the 1.2 million-gallon basins. In the past, the K East Basin had leaked more than 15 million gallons of contaminated water to the soil underneath its foundation.

Fluor Hanford began retrieving sludge from the floor of the K East Basin and consolidating the material into underwater containers on October 31, 2004. Deadlines in the Tri-Party Agreement call for completing the "containerization" of sludge in that basin by March 1, 2005 and consolidating sludge from both basins in underwater containers in the K West Basin by June 30, 2006.

This contract calls for the BNFL Inc. team to retrieve the sludge from the containers in the K West Basin. BNFL's team will also install equipment in a nearby facility to dry the sludge, mix the sludge with specially formulated cement, and place the treated mixture into containers for disposal.

(more)

“The work the BNFL Inc. contract team will perform is an important part of our strategy for closing the K Basins,” said Pete Knollmeyer, Fluor Hanford vice president, K Basins Closure Project.

“Removing the sludge from the basins will allow us to close the basins, remove the facilities themselves, and ultimately allow the DOE to address any soil contamination under the basins.”

“I am delighted that we were able to bring our unique nuclear credentials and strong technical capabilities together with those from our local teaming partners to assist Fluor Hanford in closing out one of the most technically challenging projects in the DOE complex,” said Philip Strawbridge, BNFL Inc.’s president and CEO. “It is important for the future cleanup of the Hanford Site that contractors with an in-depth knowledge of the site get the opportunity to use their experience and know-how to solve Hanford’s cleanup issues.”

The BNFL Inc. team includes Fauske & Associates, Los Alamos Technical Associates, Vista Engineering, Mid-Columbia Engineering, Nuvotec, and Parsons.

A prime contractor to the Department of Energy since 1996, Fluor Hanford has approximately 4,000 employees and manages several major activities at the Hanford Site, including dismantling former nuclear processing facilities, cleaning up the site’s contaminated groundwater, retrieving and processing transuranic waste for off-site shipment, maintaining the site’s infrastructure, and operating the Volpentest HAMMER Training & Education Center.

Fluor Hanford is a subsidiary of Fluor Corporation, which provides services on a global basis in the fields of engineering, procurement, construction, operations, maintenance and project management. Headquartered in Aliso Viejo, Calif., Fluor is a FORTUNE 500 company with revenues of nearly \$9 billion in 2003. For more information, visit [www.fluor.com](http://www.fluor.com).

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